Alberta Economy

Indicators at a Glance

NEW: Economic Activity

There was little change in the Alberta Activity Index in August. The index continues to be above last year's levels, up 5.6% year-over-year (y/y). In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,286,134 as of July 1, 2017, an increase of 1.2% from the year prior. Canada's population grew 1.2% from a year ago.

Migration

Net migration to Alberta was 5,486 in the second quarter of 2017. During this time, Alberta welcomed 10,400 net international migrants. However, there was a net outflow of interprovincial migrants (-4,914), the eighth consecutive quarterly decline.

NEW: Employment[1]

Alberta added 11,900 jobs in October as full-time job gains (+18,900) more than offset a decrease in part-time positions (-7,100). Employment increased 0.7% y/y, reflecting employment gains in both the goods and services sectors.

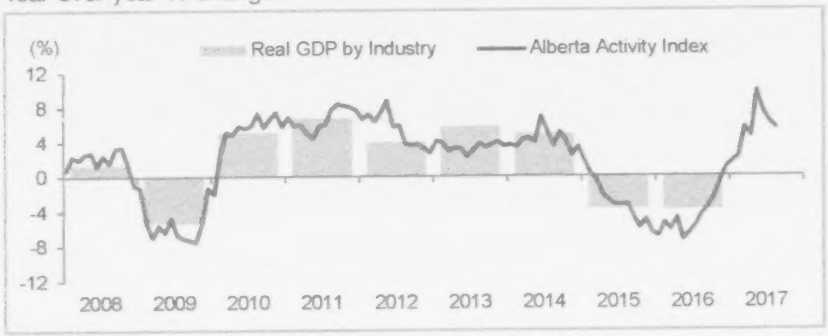
NEW: Unemployment Rate[1]

Alberta's unemployment rate fell 0.1 percentage point to 7.8% in October. Canada's unemployment rate ticked up 0.1 percentage point to 6.3%.

NEW: Rigs Drilling

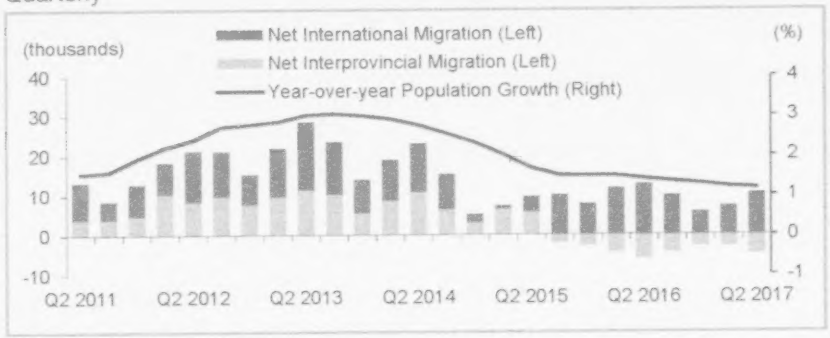
The number of active rigs in Alberta averaged 133 in October, up 31% y/y. Year-to-date, the number of active rigs has averaged 127, up 84% from 2016.

Economic Activity
Year-over-year % change



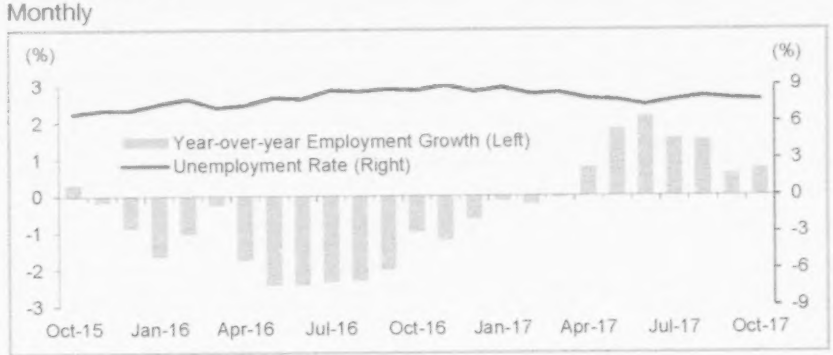
Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Inflation

The Alberta Consumer Price Index (CPI) rose 1.3% y/y in September. Excluding food and energy prices, inflation dropped to a 6-year low. The Canadian inflation rate also ticked up in September to 1.6%.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta rose by 0.6% m/m in August to $1,134. Earnings rose 1.1% y/y as higher earnings in the service sector (+1.9% y/y) were partially offset by lower earnings in the goods sector (-0.8% y/y).

Retail Sales[1]

Alberta retail sales decreased by 0.4% m/m to $6.7 billion in August. Retail sales grew 8.2% y/y, the ninth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts rose 13% m/m in September to 29,768 units (annualized). Housing starts rose by 2% y/y, as strength in single-family starts (11% y/y) were partially offset by weakness in multi-family starts (-8% y/y).

New Housing Price Index

Alberta's New Housing Price Index (NHPI) increased 0.1% y/y in August. The house-only component was down 0.1% y/y, while land prices were up 0.4% y/y.

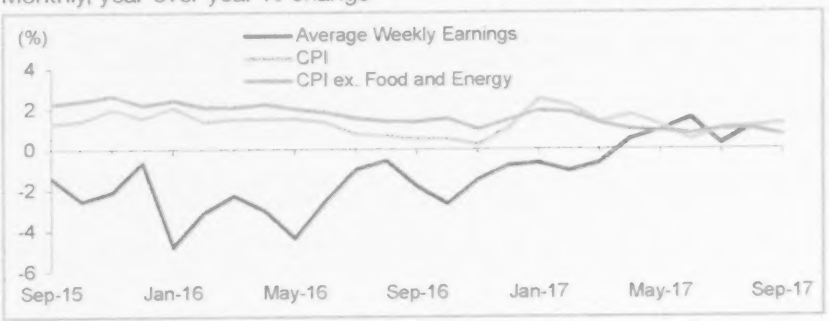
Building Permits[1]

Alberta building permits were up 6.2% m/m (+0.7% y/y) in August to $1.1 billion. Non-residential permits fell 33% y/y and residential permits rose 28% y/y.

[1] Seasonally adjusted

Inflation and Earnings

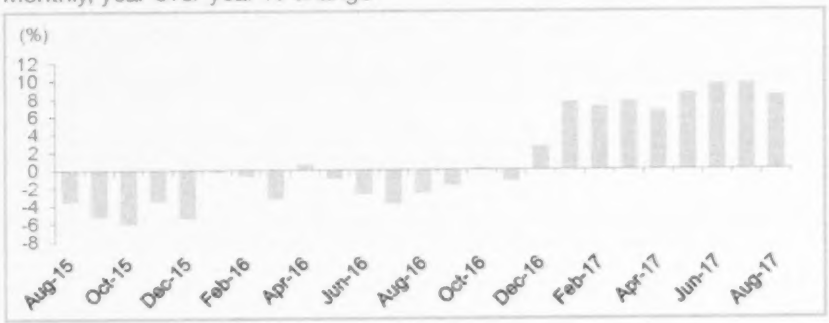
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

Contact

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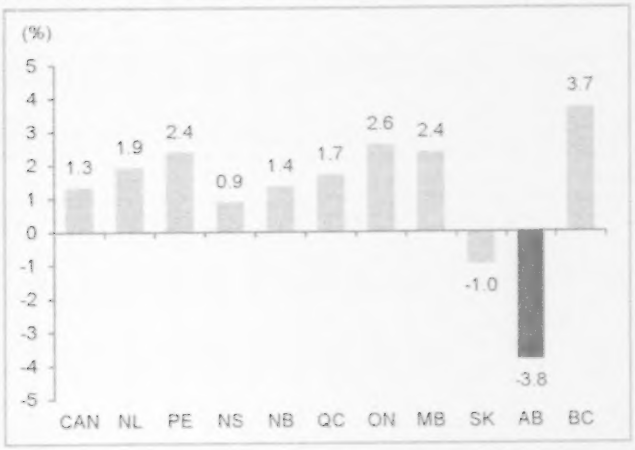
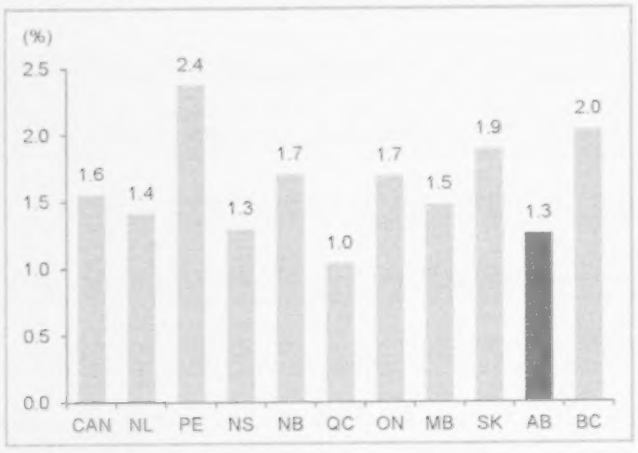
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (November 2, 2017)	77.99	54.54	2.94	1.83 (AM)
Fiscal year-to-date	77.42	48.76	3.00	2.29

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

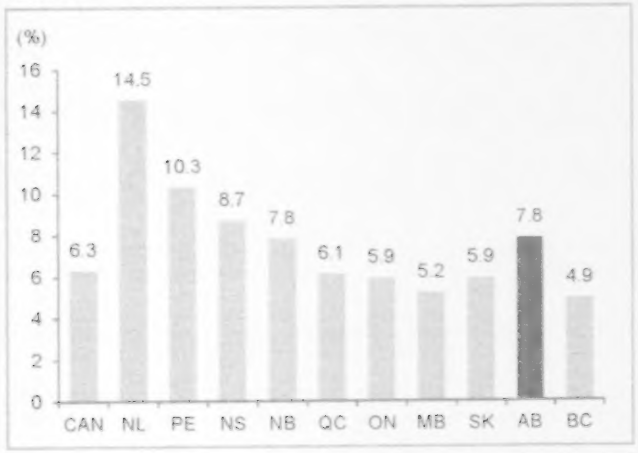
Real GDP by Industry
(2016, year-over-year growth)



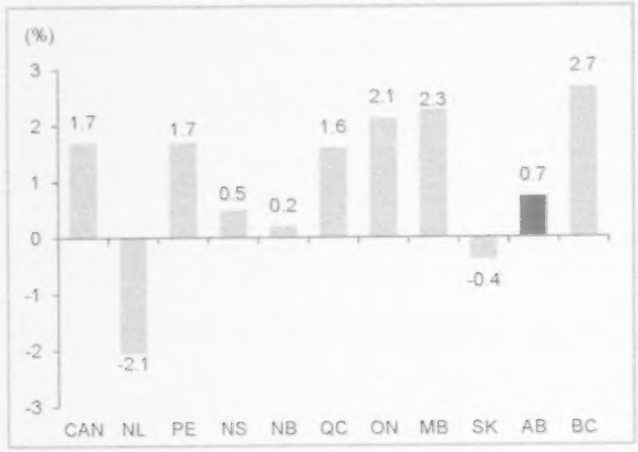
CPI Inflation
(September 2017, year-over-year growth)



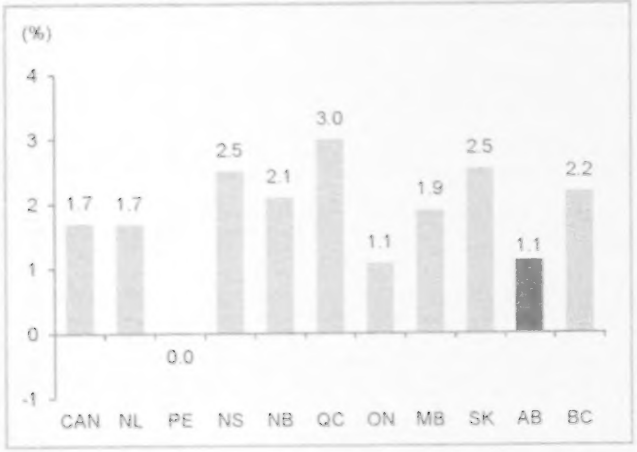
Unemployment Rate
(October 2017)



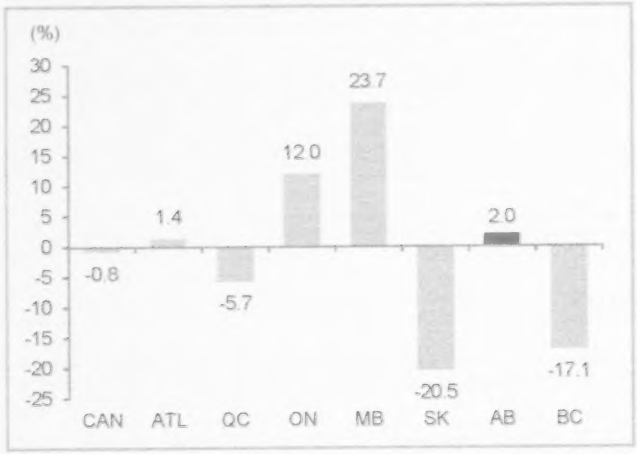
Employment
(October 2017, year-over-year growth)



Average Weekly Earnings
(August 2017, year-over-year growth)



Housing Starts
(September 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17
NEW Alberta Activity Index (y/y % change)	-3.0	-4.4	5.4	9.8	7.4	6.3	5.6		
Population[1]									
Population (thousands)	4,178	4,236	4,286			4,296			
y/y % change	1.7	1.4	1.2			1.2			
Net Interprovincial Migration	21,594	-15,108	-15,131			-4,914			
Net International Migration	15,694	42,193	33,210			10,400			
Labour Market									
NEW Employment (thousands, SA)	2,301	2,264	2,284	2,291	2,299	2,284	2,280	2,279	2,291
m/m change (thousands)				2.1	7.5	-14.4	-3.9	-7.8	11.9
y/y % change	1.2	1.6	0.9	1.8	2.2	1.5	1.5	0.6	0.7
NEW Unemployment Rate (%, SA)	6.0	8.1	8.0	7.8	7.4	7.8	8.1	7.9	7.8
NEW Participation Rate (%, SA)	73.0	72.5	72.5	72.5	72.4	72.2	72.5	72.0	72.2
Average Weekly Earnings ($, SA)	1,146	1,119	1,121	1,112	1,135	1,127	1,134		
y/y % change	0.3	-2.4	0.2	0.9	-1.5	0.2	1.1		
Household Sector									
Retail Sales ($ million, SA)	76,019	75,110	53,783	6,784	6,802	6,765	6,741		
y/y % change	-4.0	-1.2	8.0	8.5	9.5	9.5	8.2		
New Vehicle Sales (units, thousands)	242	224	170	24	24	25	22		
y/y % change	12.7	-7.6	13.4	17.2	14.2	14.2	18.4		
Consumer Price Index (y/y % change)	1.1	1.1	1.4	1.2	0.4	1.0	1.1	1.3	
Excluding Food & Energy	2.3	1.7	1.1	0.9	0.7	1.0	1.0	0.7	
Housing Starts (SAAR, 000's)	37.3	24.5	29.4	33.6	31.0	33.7	26.4	29.8	
y/y % change	8.1	-34.2	21.6	47.4	27.3	31.6	34.2	2.0	
New Housing Price Index (y/y % change)	0.7	-0.5	0.4	-0.8	-0.4	0.0	0.1		
Resale Home Sales	56,478	52,167	42,327	4,545	4,619	4,549	4,624	4,667	
y/y % change	-21.3	-7.6	9.1	4.5	3.1	1.4	6.4	4.9	
Sales to New Listing Ratio	0.52	0.49	0.49	0.46	0.46	0.46	0.47	0.47	
MLS Average Resale Prices ($ thousands)	393	395	397	402	402	395	395	394	
y/y % change	1.9	0.4	1.5	2.3	3.2	1.7	0.6	-1.3	
NEW Consumer Bankruptcies (level)	4,280	5,427	3,401	460	435	328	450		
y/y % change	10.9	26.8	-7.2	4.2	8.4	11.9	2.5		
Business Sector									
NEW Goods Exports (customs based,$ million)	92,441	78,905	74,300	8,643	8,057	7,566	8,142	7,525	
y/y % change	-24.0	-14.6	32.4	58.5	29.3	23.0	16.1	7.8	
NEW Energy Products ($ million)	62,500	51,537	51,655	6,130	5,486	5,054	5,747	5,116	
y/y% change	-31.5	-17.5	44.1	80.9	35.2	27.4	19.1	7.9	
NEW Agricultural Products ($ million)	6,474	6,284	5,310	710	583	539	530	496	
y/y % change	0.2	-2.9	16.1	33.4	17.5	13.1	19.2	4.9	
NEW Rigs Drilling	120	79	127	61	87	119	126	127	133
y/y% change	52.6	-34.0	86.1	143.7	112.8	103.6	66.8	59.7	31.3
Manufacturing Shipments ($ million, SA)	68,178	62,703	46,833	6,054	5,943	5,776	5,843		
y/y% change	14.3	-8.0	14.1	19.8	13.3	9.9	9.0		
Wholesale Trade ($ million, SA)	79,380	71,766	52,308	6,778	6,754	6,865	6,667		
y/y% change	-6.3	-9.6	9.2	16.5	9.2	15.5	10.7		
Building Permits ($ million, SA)	16,753	14,200	8,871	1,181	1,099	1,037	1,102		
y/y% change	8.2	-15.2	-2.3	15.9	10.9	-8.2	0.7		
Residential Permits ($ million, SA)	9,876	7,930	5,539	749	711	666	769		
y/y % change	-8.8	-19.7	15.4	34.1	23.9	11.3	28.1		
Non Residential Permits ($ million, SA)	6,877	6,270	3,332	432	388	371	333		
y/y% change	7.4	-8.8	-22.1	-6.3	-6.9	-30.2	-32.6		
Non-Res Building Const Price Index[2] (y/y % change)	-0.7	-2.8	-0.1			0.7			

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision